

## SUPREME COURT OF SOUTH DAKOTA

# AFSCME Local 1025 v. Sioux Falls School District

2011 S.D. 76 (2011) · No. #25935 · Decided November 16, 2011

### SUMMARY

The South Dakota Supreme Court held that grievances filed by AFSCME Local 1025 and the Sioux Falls Education Assistants Association were timely because the alleged violation occurred when the school district applied the agreements and implemented a 2.5% wage increase. The court further held that the district's certification under the 2008 funding statute resulted in a 3% increase in the applicable per-student allocation, entitling the union members to a 3% salary increase.

### CASE DETAILS

|                       |                                                                                                                                                                                                                                                                                                 |
|-----------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| COURT                 | Supreme Court of South Dakota                                                                                                                                                                                                                                                                   |
| WRITING FOR THE COURT | Zinter, Justice; Gilbertson, Chief Justice; Konenkamp, Justice; Severson, Justice; Wilbur, Justice                                                                                                                                                                                              |
| JURISDICTION          | South Dakota                                                                                                                                                                                                                                                                                    |
| DECIDED               | November 16, 2011                                                                                                                                                                                                                                                                               |
| DOCKET                | #25935                                                                                                                                                                                                                                                                                          |
| DISPOSITION           | affirmed                                                                                                                                                                                                                                                                                        |
| PROCEDURAL POSTURE    | The Sioux Falls School District appealed circuit-court decisions affirming the Department of Labor's determination that grievances filed by AFSCME Local 1025 and the Sioux Falls Education Assistants Association were timely and that the unions' members were entitled to 3% wage increases. |
| STANDARD OF REVIEW    | Contract and statutory interpretation are questions of law reviewed de novo.                                                                                                                                                                                                                    |
| PRECEDENTIAL VALUE    | published precedential opinion                                                                                                                                                                                                                                                                  |
| PARTIES               | Sioux Falls School District, Sioux Falls School District #49-5, Board of Education v. AFSCME Local 1025, Sioux Falls Education Assistants Association                                                                                                                                           |

### TOPICS

collective bargaining

labor law

employment contracts

contract interpretation

statutory interpretation

## PRACTICE AREAS

labor law

collective bargaining

employment contracts

statutory interpretation

appellate procedure

## QUESTIONS PRESENTED

1. Whether the unions' grievances were timely when filed within thirty days of the District's Board of Education implementing the allegedly improper 2.5% wage increase, even though the unions had earlier learned of the Superintendent's interpretation of the agreements.
2. Whether the labor agreements required a 3% wage increase because the District certified compliance with Senate Bill 187 and thereby received a 3% increase in the statutory per-student allocation.

## HOLDINGS

1. The grievances were timely because the agreements permitted grievances concerning either interpretation or application of the agreements, and the alleged incorrect application did not occur until the Board implemented the 2.5% wage increase on June 23, 2008.
2. The labor agreements required a 3% wage increase because the District certified that it would satisfy the statutory teacher-salary requirements, resulting in a 3% increase in the per-student allocation and therefore a 3% increase in the agreements' State Rate.

## KEY QUOTATIONS

*“Under the parties’ agreements, a grievance could be filed “concerning the interpretation of or application of the existing provisions of this agreement.”” (¶ 14)*

*“Therefore, when the District subsequently met on June 23 to implement wage increases, the members of Local 1025 and SFEAA were contractually entitled to a 3% salary increase.” (¶ 18)*

## FACTUAL BACKGROUND

AFSCME Local 1025 and the Sioux Falls Education Assistants Association represented noninstructional employees under labor agreements providing that annual wage increases for years two through six would correlate with the percentage change in the statutory per-student allocation, defined as the agreements' State Rate. Senate Bill 187 provided a 3% increase in the per-student allocation for districts satisfying specified teacher-salary certification requirements and a 2.5% increase for noncertifying districts. The District certified that it would satisfy the requirements but nevertheless implemented 2.5% wage increases for the unions' members. The unions challenged the wage increases through the agreements' grievance procedures.

## PROCEDURAL HISTORY

The unions filed grievances alleging that the District violated their labor agreements by granting 2.5% rather than 3% wage increases for the 2008-2009 school year. The Department of Labor initially dismissed the grievances as untimely. The Sixth Judicial Circuit Court reversed and remanded for a determination of the correct wage increase. On remand, the Department granted summary judgment to the unions and determined that a 3% increase was required; the Second Judicial Circuit Court affirmed. The Supreme Court of South Dakota affirmed.

## DISPOSITION

affirmed

## CASES CITED

- Davis v. State, 2011 S.D. 51, ¶¶ 19, 20, 30, 804 N.W.2d 618, 629, 632
- Leonard v. State ex rel. S.D. Real Estate Comm'n, 2010 S.D. 97, ¶ 8 n.1, 793 N.W.2d 19, 22 n.1
- Cox v. Sioux Falls Sch. Dist. 49-5, 514 N.W.2d 868, 871 (S.D. 1994)
- Bon Homme Cnty. Comm'n v. AFSCME Local 1743A, 2005 S.D. 76, ¶ 43, 699 N.W.2d 441, 460
- Wapella Educ. Ass'n, IEA-NEA v. Ill. Educ. Lab. Relations Bd., 531 N.E.2d 1371, 1380 (Ill. App. Ct. 1988)
- Zephier v. Catholic Diocese of Sioux Falls, 2008 S.D. 56, ¶ 14, 752 N.W.2d 658, 665
- State ex rel. Dep't of Transp. v. Clark, 2011 S.D. 20, ¶ 5, 798 N.W.2d 160, 162